

BellSouth Telecommunications, Inc.

333 Commerce Street Suite 2101

Nashville, TN 37201-3300

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Guy M. Hicks 2 General Counsel

November 17, 2000

615 214-6301 Fax 615 214-7406

VIA HAND DELIVERY

David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37238

Tariff Promotion to Replace the Dimension PBX with BellSouth®

Centrex Service

Docket No. 00-00944

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth's responses to the Staff's Data Request of November 13, 2000.

Very truly yours,

Guy M. Hicks

GMH:ch Enclosure



BellSouth Telecommunications, Inc. Tennessee Regulatory Authority Docket No. 00-00994 Staff Data Request November 13, 2000 Item No. 1 Page 1 of 1

REQUEST: Please discuss in detail why this promotion is limited to Dimension PBX customers. Include all technical, operational, business, etc. reasons therein.

RESPONSE: Dimension PBXs were produced and available for several years prior to and after Divestiture (1984). Customers who have continued to operate this equipment for twenty years or longer are facing equipment failure, spare parts shortages, skyrocketing maintenance costs, delayed servicing by personnel with limited knowledge of the equipment, etc. Additionally, the equipment lacks the capability to integrate newer services and features, e.g., Caller ID, Voice Mail, ISDN Basic Rate Interface (BRI) and ISDN Primary Rate Interface (PRI). Based on the above reasons, these customers are particularly good candidates for conversion and BellSouth® Centrex Service can provide a solution.

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BellSouth Telecommunications, Inc. Tennessee Regulatory Authority Docket No. 00-00994 Staff Data Request November 13, 2000 Item No. 2 Page 2 of 2

The businesses eligible for this promotion have taken advantage of a PBX offer. Customers subscribing to Centrex Service have many alternatives from which to choose, including regulated CLECs' similar service offerings and unregulated PBX systems from any number of vendors in Tennessee. In fact, one of the reasons BellSouth developed the Centrex service was to offer alternatives to PBX systems that are being offered throughout the State.

Businesses that have chosen Dimension PBXs are in a different situation than other customers – including customers that subscribe to network-based services, rather than PBXs, and customers that purchase other more sophisticated PBXs from equipment vendors. BellSouth's promotion is providing lower rates to customers still using old Dimension PBXs in an effort to incent customers to upgrade their services to more advanced and sophisticated service offerings, such as BellSouth's Centrex Service.

As a matter of law, therefore, BellSouth's promotion is not unduly discriminatory. This is underscored by the fact that the Authority allowed the same promotion to go into effect on July 17, 2000. (See attached letter dated June 20, 2000 from BellSouth notifying the Authority with respect to this promotion.) Moreover, the Authority has allowed similar promotions for customers to move to a higher grade of service. (See, for example, attached letter of September 6, 2000 from BellSouth notifying the Authority with regard to a promotion for customers to move from ESSX® to BellSouth Centrex Service.)

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BellSouth Telecommunications, Inc. 615-214-3815 Room 22B22 333 Commerce Street

Fax 615 214-8867

Jim Gotto Manager Regulatory

Nashville, Tennessee 37201-3300

June 20, 2000

Ms. Darlene Standley Regulatory Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

Dear Ms. Standley:

From July 17, 2000 through October 13, 2000, business customers that currently have a Dimension PBX and replace it with BellSouth® Centrex Service and select a contract of 24 months or greater will receive a waiver of A4 and A12 nonrecurring charges and one month's recurring charges for BellSouth® Centrex Service, Network Access Registers (NARS), and Hunting associated with the NARS.

Please call me at 214-3815 if additional information is needed.

Yours truly,

Manage

bcc: Sherry Bircheat

Conrad Martin

Susan Callaghan

LCSC Group

Chester Dixon

Carolyn Clark

Larry Gunter.

Ken Coursey

Bonnie O'Bannon

Tom Walden



BellSouth Telecommunications, Inc. 615-214-3815 Room 22B22 333 Commerce Street

Nashville, Tennessee 37201-3300

Fax 615 214-8867

Jim Gotto Manager Regulatory

September 6, 2000

Ms. Darlene Standley Regulatory Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

Dear Ms. Standley:

From October 3, 2000 through December 29, 2000 business customers that order new BellSouth® Centrex service and select a 24 month or greater contract will receive a 100% waiver of A4 and A 12 nonrecurring charges. Existing ESSX® service customers that convert to BellSouth® Centrex service will receive a waiver of one month's recurring charge for the Common Equipment rate element for each 12 months of contracted service (minimum 24 months).

This promotion is applicable for tariffed service only and is not available for CSA's.

Please call me at 214-3815 if additional information is needed.

ours truly,

BEFORE THE TENNESSEE REGULATORY AUTHORITY . NASHVILLE, TENNESSEE May 25, 2000

IN RE:)
BELLSOUTH COMMUNICATIONS, INC.)) DOCKET NO. 99-00498
TARIFF TO INTRODUCE CENTREX SERVICE/ CENTREX ISDN SERVICE)

ORDER APPROVING TARIFF TO INTRODUCE CENTREX SERVICE AND CENTREX ISDN SERVICE

This matter came before the Tennessee Regulatory Authority (the "Authority") at the regularly scheduled Authority Conference held on November 2, 1999, for consideration of Tariff No. 99-00498 (the "Tariff") filed by BellSouth Telecommunications, Inc. ("BellSouth"). BellSouth filed the Tariff with the Authority on July 12, 1999, with a proposed effective date of August 10, 1999, to introduce BellSouth Centrex service, which includes BellSouth Centrex ISDN (Integrated Services Digital Network) service, to the State of Tennessee.

BellSouth's current tariff does not offer BellSouth Centrex service or BellSouth Centrex ISDN service. BellSouth Centrex service is a central office-based business service designed to serve customers having communications characteristics such as multilocation, need for frequent and convenient interconnection services, and unpredictable growth requiring flexibility and expandability. BellSouth Centrex service will provide an arrangement of switching equipment and station lines for intercommunication among a business subscriber's station lines and for connection through the local and long distance

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message network to other subscribers on a dial basis. BellSouth Centrex service will be available for any business subscriber with a need for two or more station lines and is served from a central office switch arranged to provide the service.

BellSouth Centrex ISDN service will allow simultaneous transmission of voice, data, and packet services on the same access line and will provide access to the telephone network. BellSouth Centrex ISDN service will be available only for use with BellSouth Centrex service.

After consideration of this matter, the Directors determined that the services BellSouth proposes to offer would benefit Tennessee consumers and therefore voted unanimously to approve the Tariff.

IT IS THEREFORE ORDERED THAT:

BellSouth Telecommunications, Inc.'s Tariff to Introduce Centrex Service and Centrex ISDN Service, Tariff No. 99-00498, is approved.

Melvin J. Malone, Chairman

Haynn Greer, Jr., Director

Sara Kyle, Director

ATTEST:

K. David Waddell, Executive Secretary